

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, FEBRUARY 22, 2017 AT 4:30 PM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (Corporation) Board of Directors was called to order by Chair, Jon Savage at 4:35 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Jon Savage; Russell Hahn; Heather Tow-Yick; Christopher Little, Michael Traficante and Gregory Pizzuti.

BOARD MEMBERS ABSENT: Deborah Thomas.

ALSO PRESENT: Iftikhar Ahmad, President and CEO, and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Traficante to approve the minutes of the Board of Director's Meeting of December 6, 2016. The motion was

seconded by Mr. Hahn.

The motion was passed unanimously.

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum.

Major Jeremiah Buckenberger stated he would like to address the Board.

Major Buckenberger stated he is a Base Engineer with the Rhode Island Air National Guard (RIANG) based in Quonset and he would like to talk about the partnership the RIANG has with RIAC and give kudos to them. Major Buckenberger stated the partnership started with a little program and an exciting initiative that would be used to improve Quonset Airport and RIANG and RIAC have worked very closely together and the partnership has blossomed into a great working relationship. Major Buckenberger stated having RIAC as a partner allowed this project to happen.

Mr. Savage stated this is terrific to hear and thanked Major Buckenberger for making the Board aware of how well the partnership is going.

3. Report from the Interim President and CEO:

Mr. Ahmad presented the President and CEO Report and reported on the following:

- **Mr. Ahmad stated it has been a very busy two months and the focus has been to reach out to partners in the public and business sectors to cultivate relationships and work as a team to move Rhode Island forward. Mr. Ahmad stated RIAC has a (\$2.6 Billion dollar) economic impact with approximately 22,500 jobs associated with it. Mr. Ahmad stated RIAC will continue to build partnerships for economic development and to improve the facilities.**

- **Mr. Ahmad stated he would like to point out the support that has been received by the congressional delegation and the tourism bureaus. Mr. Ahmad stated he has met with Cranston Mayor Fung and continues to meet with Warwick Mayor Avedisian on a monthly basis. Mr. Ahmad stated there is a good sense of partnership between the airport and the community.**

- **Mr. Ahmad stated ground is being gained on enplanements and in support of the direction. Mr. Ahmad, Mr. Schattle and Mr. Pimental attended a 5 day Routes American Conference and met with approximately 10 airlines that have expressed interest in PVD and the airport for the obvious reason of the experience for passengers, ability to find parking, and a clear plan to travel with predictability. Mr. Ahmad noted that T. F. Green is closer to 50% of Massachusetts**

than Logan and noted commute time to Logan can be misleading based on the time of day for travel due to commute times and that information was impressed upon airlines partners. Mr. Ahmad stated bringing new airlines to T. F. Green will bring options and lower fares to our passengers.

- Mr. Ahmad stated an announcement on air service is scheduled for Thursday, February 23rd.

4. Pension Committee Update.

Ms. Penta reported the Committee met prior to the Board Meeting and received an update from the investment advisors. Ms. Penta noted the advisors provided an overview of the year end performance on target with the market.

Ms. Penta stated the advisor analyzed the target date funds and suggested a plan change be taken under consideration for the next meeting of the Committee.

5. Action Items:

(a) Consideration of and Action Upon Approval of a Consultant Task Order for Design and Bid Phase Services at Quonset Airport.

Mr. Little recused himself and stepped away from the table.

Mr. Schattle gave an overview of this item and noted the costs associated with this project will be reimbursed by the Rhode Island Air National Guard. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order with McFarland Johnson, Inc. in the amount of \$176,850, which will be 100% funded by the Rhode Island Air National Guard, to provide Design Phase Services for the rehabilitation of a portion of the apron at Quonset Airport.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, On July 1, 2016, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with McFarland Johnson, Inc. (MJ) to provide On-Call Airfield Engineering Services; and

WHEREAS, this would be the first Task Order assigned to MJ under this PSA; and

WHEREAS, RIAC staff negotiated a Task Order with MJ in the amount of \$176,850 to provide Design Services for the rehabilitation of a portion of the apron at Quonset Airport; and

WHEREAS, this project is being managed and procured by RIAC at the request of the Rhode Island Air National Guard (RIANG); and

WHEREAS, this project will be funded 100% by the RIANG through a Military Construction Cooperative Agreement (MCAA); and

WHEREAS, the RIANG received full funding for this project after RIAC's Fiscal Year 2017 Capital Improvement (CIP) budget was approved.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with McFarland Johnson, Inc. in the amount of \$176,850, which will be 100% funded by the Rhode Island Air National Guard, to provide Design Phase Services for the rehabilitation of a portion of the apron at Quonset Airport.

The motion was passed by five affirmative votes with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Jon Savage

Russell Hahn

Michael Traficante

Heather Tow-Yick

Gregory Pizzuti

NAYS: None

RECUSAL: Christopher Little

(b) Consideration of and Action Upon Approval to Enter Into a Contract for the Painting of the Exterior of the Terminal.

Mr. Andrade provided an overview of this item and noted there were four bidders. Mr. Savage asked if there were any concerns regarding the difference in bids that were received. Mr. Andrade stated the bid was reviewed and staff is comfortable with the bid and staff has worked with this bidder previously and was pleased with the work. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Contract with Martone Service Company, Inc., in the amount of \$344,007, which is included in the Fiscal Year 2017 CIP budget, for the painting of the entrance canopy structures, terminal roof support beams, entrance floor deck and lower level fence structures at T. F. Green Airport.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, the exterior of the Terminal (primarily the canopy structures) was previously painted in 2002 and is showing signs of deterioration; and

WHEREAS, on September 28, 2016 the Rhode Island Airport Corporation (RIAC) issued an Invitation for Bids for the painting of the exterior of the terminal including painting of the entrance canopy structures, terminal roof support beams, entrance floor deck and lower level fence structures; and

WHEREAS, on October 20, 2016, RIAC received four sealed bids; and

WHEREAS, Martone Service Company, Inc. (Martone) submitted the lowest responsive and responsible bid in the amount of \$344,007; and

WHEREAS, RIAC staff reviewed the bids and recommends award to Martone; and

WHEREAS, the approved RIAC Fiscal Year 2017 Capital Improvement Program (CIP) budget includes \$775,000 for various Terminal Improvements (including this project element) funded by general purpose funds; and

WHEREAS, this is the first project element to be approved under the Terminal Improvements budget.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Contract with Martone Service Company, Inc., in the amount of \$344,007, which is included in the Fiscal Year 2017 CIP budget, for the painting of the entrance canopy structures, terminal roof support beams, entrance floor deck and lower level fence structures at T. F. Green Airport.

The motion was passed unanimously.

(c) Consideration of and Action Upon Health Insurance Coverages.

Mr. Little recused himself and stepped away from the table.

Ms. Penta gave a presentation on this item and noted that RIAC solicited competitive quotes through its broker. Ms. Penta gave an overview of the difference in bids and noted that after negotiations the increase will be 1.97%, which is below the state average of a 7% increase. Ms. Penta stated this item will come in under the 15% increase that was budgeted. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute an Insurance Contract Renewal with Blue Cross/Blue Shield of Rhode Island for health insurance coverage effective February 1, 2017.

A motion was made by Ms. Tow-Yick and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) is currently under Contract with Blue Cross/Blue Shield of Rhode Island (Blue Cross) to provide health insurance for RIAC's employees and their families; and

WHEREAS, this Contract renews each February 1st, at which time the premiums are adjusted; and

WHEREAS, RIAC, with the assistance of its Health Insurance Consultant, Cornerstone Group (Cornerstone), negotiated an average 1.97% premium increase for health coverage; and

WHEREAS, the increase in health insurance falls below the 7% average Blue Cross annual rate increase for 2017, as approved by Rhode Island Health Insurance Commissioner for large groups (groups with more than 50 employees); and

WHEREAS, RIAC's fiscal year 2017 Operating and Maintenance budget assumed a 15% increase effective February 1, 2017; and

WHEREAS, based on the current enrollment and proposed renewal rates shown, health insurance and related costs are projected to be more than \$150,000 under budgeted expectations for Fiscal Year 2017.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute an Insurance Contract Renewal with Blue Cross/Blue Shield of Rhode Island for health insurance coverage effective February 1, 2017.

The motion was passed by five affirmative votes with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Jon Savage

Russell Hahn

Michael Traficante

Heather Tow-Yick

Gregory Pizzuti

NAYS: None

RECUSAL: Christopher Little

6. Executive Session:

At approximately 4:52 p.m. a motion was made by Ms. Tow-Yick and seconded by Mr. Hahn to go into Executive Session for the purpose of discussing the following items:

The Board will seek to go into Executive Session for the following

stated purposes:

(a) Motion to Approve the Minutes of the Executive Session held on December 6, 2016 § 42-46-5(a), (2) and (7); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) – R.I.G.L. § 42-46-5(a)(7); and

(c) Discussions Regarding Security (FIS Renovations) – R.I.G.L. § 42-46-5(a)(3); and

(d) Discussions Related to One Potential Non-Public Litigation Matter (Construction Dispute) and Two Public Litigation Matters (Bogosian vs. RIAC; Harriet Kniffer, Trustee of the Harriet Chappell Moore Foundation, et al. v. RIAC and RIDOT (Complaint for Injunctive Relief)).) – R.I.G.L § 42-46-5(a)(2); and

(e) Motion to Return to Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Jon Savage

Russell Hahn

Heather Tow-Yick

Christopher Little

Michael Traficante

Gregory Pizzuti

NAYS: None

ABSTAIN: None

Mr. Traficante left the meeting at 6:15 p.m.

At approximately 6:33 p.m., a motion was made by Mr. Little and seconded Ms. Tow-Yick to return to Open Session.

The motion passed unanimously.

7. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on February 22, 2017.

A motion was made by Ms. Tow-Yick and seconded by Mr. Hahn to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4.

By the following roll call vote the motion was passed unanimously.

YEAS: Jon Savage

Russell Hahn

Heather Tow-Yick
Christopher Little
Gregory Pizzuti
NAYS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

During the Executive Session a motion was made by Mr. Hahn and seconded by Mr. Little to approve the sealed minutes of the Executive Session held on December 6, 2016.

The motion was passed unanimously.

8. Action Items:

(a) Consideration of and Action Upon Approval of a Consultant Task Order for the Design of the Federal Inspection Services Facility Improvement Project at T. F. Green Airport.

Mr. Ahmad gave an overview of the item and noted this item has not been negotiated yet but the cost for inspections is included in the Task Order. The recommendation is that the Board authorizes the President and CEO, or his designee, to enter into a Consultant Task Order with Jacobs Engineering Group, Inc. in the amount not to

exceed \$450,000, which was not included in the 2017 Fiscal Year Capital Improvement Program budget, for Design and Program Management Services for the renovation of the Federal Inspection Services Facility at T. F. Green Airport.

A motion was made by Mr. Little and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, On July 1, 2016, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with Jacobs Engineering Group, Inc. (Jacobs) for On-Call Mechanical, Electrical, and Plumbing Services; and

WHEREAS, to date, one Task Order for preliminary design services for the renovation of the Federal Inspection Services (FIS) Facility at T. F. Green Airport totaling \$98,053 has been issued under this PSA; and

WHEREAS, RIAC now requires Program Management (PM) Services for the renovation of the FIS Facility; and

WHEREAS, RIAC staff is requesting the approval to enter into a Consultant Task Order for these PM Services in the amount not to exceed \$450,000 with Jacobs; and

WHEREAS, this project was not included in the 2017 Fiscal Year Capital Improvement Program budget; and

WHEREAS, RIAC will initially fund this Task Order from General Purpose Funds and will work with the Federal Aviation Administration throughout the process to maintain as much eligibility as possible for future reimbursement from Passenger Facility Charges and other potential federal sources of funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to enter into a Consultant Task Order with Jacobs Engineering Group, Inc. in the amount not to exceed \$450,000, which was not included in the 2017 Fiscal Year Capital Improvement Program budget, for Program Management Services for the renovation of the Federal Inspection Services Facility at T. F. Green Airport.

The motion was passed unanimously.

(b) Consideration of and Action Upon Award of a Construction Management Contract for the Federal Inspection Services Facility Improvement Project at T. F. Green Airport.

There was a discussion regarding action items 8b and 8d. Mr. Little asked if a guaranteed maximum price was provided by the proposed Construction Manager. Mr. Ahmad stated this agreement would be a straight construction management contract. Mr. Little asked if the

construction manager would manage the process and help with the budget as well as advise and assist with bid packages. Mr. Ahmad stated there would be a fee for the packages and RIAC would have to negotiate the agreement with the construction manager.

Mr. Little recused himself and stepped away from the table.

A motion was made by Ms. Tow Yick and seconded by Mr. Hahn to recommend award of the Construction Management Contract to Dimeo Corporation.

The motion was passed by four affirmative votes with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Jon Savage

Heather Tow-Yick

Russell Hahn

Gregory Pizzuti

NAYS: None

RECUSAL: Christopher Little

(c) Consideration of and Action Upon Approval of the Use of a Project Labor Agreement for the Federal Inspection Services Facility Improvement Project at T. F. Green Airport.

Mr. Hahn recused himself and stepped away from the table.

Mr. Ahmad gave an overview of this item and noted that a PLA is already in use for the existing expansion. Mr. Little asked if we are complying with the ruling in the Supreme Court decision regarding PLAs. Ms. Jacques stated the statutory requirements have been reviewed and we are in compliance. The recommendation is that the Board authorizes the President and CEO, or his designee, to approve the Project Labor Agreement's contractual provisions to be attached to future bid documents as appropriate for the Federal Inspection Services Facility Renovation Project.

A motion was made by Mr. Little and seconded by Mr. Pizzuti to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) is embarking on a project to renovate the Federal Inspection Services (FIS) Facility at T. F. Green Airport; and

WHEREAS, based on the nature, scope and speed of this project it was appropriate to analyze whether a Project Labor Agreement (PLA) would be beneficial; and

WHEREAS, under Rhode Island Law a PLA is permissible provided that it is supported by an independent assessment; and

WHEREAS, RIAC, with the assistance of its labor and construction counsel, had an independent objective assessment of the utility of a PLA conducted by Keough Construction (Keough); and

WHEREAS, Keough concludes that the FIS improvement project would be appropriately procured and constructed pursuant to the terms of a PLA; and

WHEREAS, RIAC's Chief Purchasing Agent has reviewed the Keough report and agrees with its conclusions; and

WHEREAS, the PLA will be attached to the appropriate bid documents to apprise all bidders of the PLA provisions covering the project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to approve the Project Labor Agreement's contractual provisions to be attached to future bid documents as appropriate for the Federal Inspection Services Facility Renovation Project.

The motion was passed by four affirmative votes with one Board Member recusing himself from voting. The vote was as follows:

**YEAS: Jon Savage
Heather Tow-Yick
Christopher Little
Gregory Pizzuti**

NAYS: None

RECUSAL: Russell Hahn

(d) Consideration of and Action Upon Contracting Authority for the Federal Inspection Facility at T. F. Green Airport.

Mr. Ahmad proposed Mr. Little assist him and RIAC staff in finalizing a proposed Construction Management Services contract with Dimeo. Mr. Savage concurred with the recommendation for Mr. Little to work with Mr. Ahmad in finalizing the contract. A motion was made by Mr. Hahn and seconded by Ms. Tow Yick to authorize Mr. Ahmad, in conjunction with Mr. Little's assistance, to negotiate and enter into a satisfactory Construction management Services contract with Dimeo for the Federal Inspection Facility at T. F. Green Airport.

The motion was passed unanimously.

9. Future Meetings:

The next Board Meeting will be held on Wednesday, March 22, 2017

at 4:30 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

10. Adjournment:

Mr. Little moved to adjourn at approximately 6:41 p.m. Mr. Hahn seconded the motion.

The motion was passed unanimously.

Respectfully submitted,

Jon Savage, Chair
Rhode Island Airport Corporation

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, FEBRUARY 22, 2017**

NAME AFFILIATION

Brian Schattle RIAC

Alan Andrade RIAC

Liberty Luciano RIAC

Sherri Ann Penta RIAC

Paul McDonough RIAC

Timothy Pimental RIAC

Bruce Wilde RIAC

Annette Jacques RIAC

Leo Messier RIAC

Dan Porter RIAC

Doug Dansereau RIAC

Steve Cahill RIAC

David Cloutier RIAC

Eric Seabury RIAC

Jeff Goulart RIAC

Jeff Wiggin RIAC

Carla Ottaviano RIAC

Jeremiah Buckenberger RIANG

Woody Cresswell Paradies Shoppes

The minutes of the Executive Session of the Board Meeting February 22, 2017 have been sealed in accordance with R.I.G.L. § 42-46-4.